

VZCZCXYZ0005  
PP RUEHWEB

DE RUEHC #4635 0751609  
ZNY CCCCC ZZH  
P 161551Z MAR 09  
FM SECSTATE WASHDC  
TO AMEMBASSY KYIV PRIORITY 0000

C O N F I D E N T I A L STATE 024635

SIPDIS

E.O. 12958: DECL: 03/13/2034  
TAGS: [MTCRE](#) [PARM](#) [PREL](#) [UP](#)  
SUBJECT: SCUD ELIMINATION: PRELIMINARY RESPONSES TO  
MINISTRY OF DEFENSE QUESTIONS (C)

REF: A. STATE 19918  
[B](#). KYIV 316  
[C](#). CATIPON/PALMIERO EMAIL 2/12/09  
[D](#). 08 STATE 132581

Classified By: ISN/MTR Director Pam Durham. Reasons: 1.4 (B) and (D).

[1](#)1. (U) This is an action request. Please see para 2.

[1](#)2. (C) Ref A noted our intent to provide answers to some of the questions raised by Ukraine in refs B and C before the next expert level talks (proposed for March 25 and 26). Request Embassy Kyiv approach appropriate Ministry of Defense(MOD) officials, and other officials as appropriate, to deliver the talking points in para 3 below and the nonpaper in para 4 below. A translation of nonpaper into Ukrainian will be forwarded via e-mail.

[1](#)3. (U) Preliminary answers to questions raised by MoD on SCUD Elimination:

a) Per ref B, MOD noted that there are as many as 20 sites in Ukraine containing SCUD-related equipment. MOD asked whether the U.S. would like the equipment consolidated at fewer sites, but also suggested the possibility of splitting into 2 teams if we need to visit all 20 sites. The MOD also noted its preference that destruction take place at one or two consolidated locations.

-- While the U.S. team is not opposed in principle to the consolidation of SCUD equipment to lessen the site survey burden, we will first need to review the latest inventory list from Ukraine to determine if this is feasible. We are not opposed to consolidating the SCUD equipment at one or two sites for the actual destruction.

b) Per ref B, MOD legal representative asked about the possibility of demilitarizing some SCUD items in order to retain them as mock-ups or museum pieces.

-- U.S. team is not opposed to one or two SCUDs being demilitarized and retained as mock-ups or museum pieces so long as it is according to a mutually agreed process.

c) Ref B noted several concerns raised by the MOD concerning actual destruction, environmental issues, and Ukraine fiscal responsibilities.

-- U.S. team expects that all of the destruction and demilitarization work will take place at MOD controlled sites. In accordance with Section 3(g) of the draft Memorandum of Understanding (MOU), "the MOD will assist U.S. personnel, the Contractor and any subcontractors in obtaining any necessary permits, licenses and approvals for the scope of the work." This would include any environmental permits, licenses, or fees and these should be discussed in advance with the negotiating team.

-- As stated in paragraph 7 of the draft MOU, Article VI of the 1993 Umbrella Agreement shall govern with respect to

legal proceedings and any environmental claims. The U.S., its personnel and contractors shall be held harmless. Claims by third parties shall be the responsibility of Ukraine.

-- The U.S. will cover all of the costs of this project, except for the salaries of full time government employees and military personnel who may be assigned to work on this project. Transportations expenses (fuel) and salaries of non direct hire government personnel, i.e. contractors of the MOD and non direct hire governmental support personnel for the MOD, will be paid by the Nonproliferation and Disarmament Fund (NDF) project contractor via a contract between the NDF contractor and the MOD. (See non paper.)

14. (U) The following nonpaper provides a general outline of the division of responsibilities between the NDF and the Host Country and may be handed over to the Ukrainian MOD:

Typical Division of Responsibilities Between Host Country and Nonproliferation and Disarmament Fund (NDF) Contractor for SCUD Elimination Projects

Host Country MOD Responsibilities in Addition to Those in MOU with NDF

-----  
11. Access for NDF contractor to the specific elimination sites where the equipment listed in the MOU Annexes I and II for Elimination/Demilitarization is located;

12. A site office which includes utilities, office furniture and a land telephone provided by MOD at the sites for SCUD elimination;

13. All specialty tools and ZIP kits for SCUD systems will be made available to NDF contractor for dismantling/elimination purposes;

14. Furnish a technical interpreter as needed for translating Russian/Ukrainian technical specifications in parallel with NDF contractor's translators in order to ensure prompt communication between NDF contractor and MOD;

15. Furnish all labor, material and equipment as follows to fulfill requirements of MOU;

a. Permit NDF contractor to subcontract certain aspects of the work to private host country companies or other host country governmental or civilian entities who are eligible for security clearances by MOD for this work;

b. Transport to the agreed sites the equipment and materials listed in the MOU Annexes for destruction or demilitarization;

16. MOD shall retain all equipment and materials that are demilitarized, as well as debris and material resulting from the destruction processes;

17. MOD will provide safety, security, and logistical support for all MOD transport and other operations required to complete the MOD scope of work;

18. Assist NDF contractor in obtaining any necessary permits, licenses and approvals and coordinating all operations with respect to the NDF contractor's scope of work on this project within host country with local, regional and national regulatory or enforcement agencies, the news media or the public;

19. MOD will pre-remove/dispose of oil, fluids, batteries and other hazardous materials or elements from equipment as requested by NDF contractor.

110. MOD will provide consultancy to NDF contractor and its subcontractors with regard to the items listed for destruction and demilitarization in the MOU Annexes. MOD will provide fire control, furnishing of any fuses or materials for initiation or destruction purposes or assist

NDF in obtaining same.

NDF Contractor Responsibilities:

-----

1. Contractor will pay reasonable rent for housing contractor personnel at sites for SCUD elimination.

2. NDF contractor will pay MOD an agreed amount in US dollars to cover items listed below:

- transportation by rail or truck of all equipment and materials (active and inactive units) for destruction and demilitarization from inventory site to site(s) designated for destruction/demilitarization.
- Preparation of sites for destruction and demilitarization
- Planning, and logistics by active units for destruction and demilitarization
- ZIP Kits - sorting, displaying and destroying
- Security on site and any escorts needed for transportation
- Verification of equipment, photography, documentation as per MOU

3. Payments will be progress payments for carrying out MOD's responsibilities under the MOU and based on monthly invoices from MOD to NDF contractor.

5. (U) Department appreciates Post's assistance. Please slug response to ISN/MTR: Ralph Palmiero and ISN/NDF: Paul Van Son.  
CLINTON